



U.S. Department of Justice

United States Attorney

Eastern District of Pennsylvania

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**OWNER OF CHESTER COUNTY INVESTMENT FIRM ADMITS TO  
RUNNING MULTI-MILLION DOLLAR PONZI SCHEME**

PHILADELPHIA - Donald Anthony Young, 38, of Palm Beach, Florida, pleaded guilty today to one count of mail fraud and one count of money laundering in connection with a \$25 million dollar fraud scheme, announced United States Attorney Zane David Memeger. Young operated an investment advisory business in Kennett Square, Pennsylvania, which was known by various names including Acorn Capital Management II LP, Acorn Capital Management LLC, and Acorn II LP. He solicited individuals to invest with him, claiming that their funds would be invested in the stocks of large stable companies. Ultimately, Young obtained more than \$95 million from his investors. Instead of investing all of these funds as promised, Young allegedly diverted more than \$25 million of investor funds for his own use, purchasing, among other things, luxury homes for himself in Palm Beach, Florida, Coatesville, Pennsylvania, and Northeast Harbor, Maine. When investors requested redemptions, Young was forced to liquidate other investors' funds to make the pay outs. When the United States Securities and Exchange Commission opened an investigation into Young's business, Young attempted to obstruct the investigation by providing false and misleading information to the SEC and by refusing to provide the SEC documents, to which it was legally entitled.

According to the indictment, Young laundered the proceeds of his fraud by, among other things, stealing approximately \$1.9 million of an investors' funds and using these funds to purchase his luxury home in Palm Beach, Florida.

Young faces a maximum possible sentence of 30 years incarceration, a possible fine, and restitution when sentenced on October 28, 2010.

The case was investigated by the United States Securities and Exchange Commission, the Federal Bureau of Investigation, and the United States Postal Inspection Service, and is being prosecuted by Assistant United States Attorney Paul L. Gray.

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